

LC#034990

I hereby certify that the foregoing has been filed
and approved on the 18 day of May 1999
in the office of this Division and hereby issue
this certificate thereof.

ARTICLES OF ORGANIZATION

Witness my hand and seal this 18th day of May 1999



LORENA P. RIFFO
DIVISION DIRECTOR

OF

DUCK CREEK PINES WATER COMPANY, L.L.C.

The undersigned persons, acting to organize a limited liability company (the "Company") pursuant to the provisions of the Utah Limited Liability Company Act (Section 48-2b-101 et seq., Utah Code, 1953, as amended), adopt the following Articles of Organization:

ARTICLE 1

Name

The name of the Company is Duck Creek Pines Water Company, L.L.C.

ARTICLE 2

Period of Duration

The period of duration of the Company is thirty (30) years from the date of filing of its Articles of Organization.

ARTICLE 3

Purposes and Powers

Section 3.01. Purposes. The specific purposes for which the Company is organized are to purchase, develop, sell, manage, and otherwise deal in water rights, distribution and supply of water within the State of Utah. In addition, the company may engage in any business or activity allowed by the Utah Limited Liability Company Act.

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Section 3.02. Powers. The Company shall have and may exercise all of the powers described in the Utah Limited Liability Company Act, as the same may, from time to time, be amended.

ARTICLE 4

Registered Office and Agent

Section 4.01. Registered Office. The address of the initial registered office of the Company is 2230 North University Pkwy Suite 7B; Provo, UT 84604.

Section 4.02. Registered Agent. The initial registered agent of the Company is Robert Barrus whose address is 2230 North University Pkwy Suite 7B; Provo, UT 84604. If the authority of the Company's registered agent is revoked, or if the registered agent resigns and no successor is appointed or if the agent cannot be found or served with exercise of reasonable diligence, the Director of the Division of Corporations and Commercial Code of the Department of Commerce of the State of Utah is appointed as the agent of the Company for the service of process.

ARTICLE 5

Management by Members

Section 5.01. Management by Members. Management of the Company is reserved to the members thereof. In all matters, members shall vote in proportion to their interests in the profits of the Company, as reflected in the operating agreement, as the same may be adjusted from time to time to reflect the addition or withdrawal of members, and to reflect changes in the proportion of members interests in the profits of the Company.

Section 5.02. Optional Manager. The members may by a majority vote appoint a manager to serve at the pleasure of the members. However, said manager shall not have the power to bind

the Company in any matter involving more than \$5,000 in money or money's worth without the express approval of a majority of the members.

ARTICLE 6

Members

The persons named below in this Article 6 are members of the Company. Additional members may be added from time to time as allowed in the operating agreement. The names and addresses of the members are:

Robert Barrus
2230 North Univ Pkwy Ste 7B
Provo, UT 84604

David Clark
717 West Columbia Lane
Provo, UT 84604

Executed this 18 day of MAY, 1999, by:

Robert Barrus
Robert Barrus
David Clark
David Clark

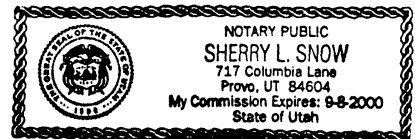
who comprise all of the members of the Company and by Robert Barrus who accepts the appointment set forth above as the registered agent of the Company.

Robert A Barrus
Robert Barrus

State of Utah)
 :SS
County of Utah)

Executed before me this 18th day of May, 1999, by Robert Barrus and David Clark.

Sherry L Snow
Notary Public



OPERATING AGREEMENT
OF
DUCK CREEK PINES WATER COMPANY, L.L.C.

THE UNDERSIGNED, as members of **Duck Creek Pines Water Company, L.L.C.**, a Utah limited liability company (the "Company") do hereby enter into this Operating Agreement to be effective upon the filing of the Articles of Organization of the Company.

A. The Company is a limited liability company organized to pursuant to the provisions of the Utah Limited Liability Company Act (Sec. 48-2b-101, et seq., Utah Code, 1953, as amended) (the "Act") by filing of its Articles of Organization with the Division of Corporations and Commercial Code of the Department of Commerce, State of Utah.

B. Pursuant to the provisions of the Act, the signatories to this Agreement, as members of the Company, do make and adopt this Agreement as the Operating Agreement for the Company.

NOW, THEREFORE, the undersigned members of the Company do agree as follows:

I. FORMATION

1.1 Filing. The undersigned have formed a limited liability company under the laws of the State of Utah by filing articles of organization with the Division of Corporations and Commercial Code of the State of Utah.

1.2 Name. The name of this company is Duck Creek Pines Water Company, L.L.C.

1.3 Purposes. The specific purposes for which the Company is organized are to purchase, develop, sell, manage, and otherwise deal in water rights, distribution and supply of water within the

State of Utah. In addition, the company may engage in any business or activity allowed by the Utah Limited Liability Company Act.

1.4 Registered Office. The address of the initial registered office of the Company is 2230 North University Pkwy Suite 7B; Provo, UT 84604.

1.5 Registered Agent. The initial registered agent of the Company is Robert Barrus whose address is 2230 North University Pkwy Suite 7B; Provo, UT 84604. If the authority of the Company's registered agent is revoked, or if the registered agent resigns and no successor is appointed or if the agent cannot be found or served with exercise of reasonable diligence, the Director of the Division of Corporations and Commercial Code of the Department of Commerce of the State of Utah is appointed as the agent of the Company for the service of process.

II. MANAGEMENT

2.1 Management by Members. Management of the Company is reserved to the members thereof. In all matters, members shall vote in proportion to their equity interest in the Company, as reflected in this operating agreement, as the same may be adjusted from time to time to reflect the addition or withdrawal of members, and to reflect changes in the proportion of members equity interests.

2.2 Optional Manager. The members may by a majority vote appoint a manager (who shall be a member of the Company) to serve at the pleasure of the members. Exception as otherwise provided from time to time by the members, a manager may, in general, manage the affairs of the Company. However, a manager shall not have the power (1) to bind the Company in any matter involving more than \$5,000 in money or money's worth without the express approval of the majority

of the members, or (2) to sell, mortgage or grant a security interest in or otherwise encumber any property of the Company without the express approval of a majority of the members.

2.3 Annual Meeting. A majority of the members may prescribe the time and place for the holding of the regular annual meeting. If the members do not prescribe the time and the place for the holding of regular annual meetings, regular annual meetings will be held at the time and place specified by the manager, if one has been appointed.

2.4 Special Meetings. Special meetings of the members, for any purpose or purposes, may be called by a majority of the members, or by a manager, if one has been appointed.

2.5 Meeting Notice. Written or telephonic notice stating the place, day and hour of a meeting must be delivered not less than three days or more than thirty days before the date of the meeting to each member of the company. Notices shall be given to the address and telephone number last shown on the records of the Company.

2.6 Company Tax Treatment. It is the intent of the members of the Company that the Company qualify and be treated as a partnership for state, federal and estate tax purposes. No member or manager shall take any action that will cause the company to be taxed other than as a partnership.

2.7 Securities Laws. It is the intent of the members that their membership interests shall not be a "security" under state or federal law, and this operating agreement shall be interpreted consistent with that intent. This operating agreement shall be interpreted to reserve full powers of management to the members of the Company, such that profits, if any, shall be the result of the efforts of the members and not the efforts of others.

2.8 Banking. All funds of the company shall be deposited in its name in such bank or banks and in such checking and other accounts as shall be determined by the managers and all withdrawals therefrom shall be made upon checks with must be signed as jointly designated by the managers.

2.9 Books. The Company books shall be maintained at its principal office. The books shall be kept on a calendar year basis and shall be closed and balanced at the end of each such year. Each member agrees to cause all known business transactions pertaining to the Company to be entered properly and completely into the Company books. The Company will furnish periodic financial statements to the members and will prepare tax returns in a timely manner, furnishing copies to the members prior to their being filed by the Company.

2.10 Examination of Books and Records. Any member of the Company shall have the right to examine at any reasonable time or times and for all purposes, the books, records of account, minutes and records of the Company. Inspection may be made by any member or a duly authorized representative of a member.

III. MEMBERS

3.1 Initial Members. The persons named below in this section 3.1 are the initial members of the Company. Additional members may be added from time to time as allowed in this operating agreement. The names and addresses of the initial members are:

Robert Barrus
2230 North Univ Pkwy Ste 7B
Provo, UT 84604

David Clark
717 West Columbia Lane
Provo, UT 84604

3.2 Ten Members. Unless otherwise expressly provided by a majority of the members, there shall not be more than ten (10) members of the Company.

3.3 Member Compensation. Except as otherwise agreed by a majority of the members, no member of the Company shall be compensated for service to the Company. However, expenses incurred for Company purposes may be reimbursed in full.

3.4 Member Indemnification. The company hereby indemnifies any member and the Company manager, if any, who is a party defendant or is threatened to be made a party defendant to any threatened, pending or completed actions, suit or proceeding, whether civil criminal administrative or investigative (other than an action by or in the right of the company) by reason of the fact that he/she is or was a member or manager of the company, against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him/her in connection with the actions, suit or proceeding if the members determine that he/she acted in good faith and in a manner he/she reasonably believed to be in or not opposed to the best interest of the company, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his/her conduct was unlawful. The termination of any actions, suit or proceeding by judgment, order, settlement, conviction, or on a plea of nolo contendere or its equivalent, will not in itself create a presumption that the person did or did not act in good faith and in a manner which he/she reasonably believed to be in the best interest of the company, and with respect to any criminal action or proceeding, had reasonable cause to believe that her conduct was unlawful.

3.5 Rights and Duties of the Members.

3.5.1 Duties. The members agree to mutually undertake the responsibilities and to devote such time and attention to the Company's business as shall be required in order to carry out the Company's purposes.

3.5.2 Records. Accurate records of Company decisions and actions shall be maintained and meetings of members shall be accurately reported.

3.5.3 Encumbering Assets. No member shall, except with the consent of the others, mortgage or grant a security interest in such member's interest in the Company or in the share of Company assets or property or profits attributable in any way to such member's interest in the Company.

3.5.4 Member Duty. No member shall do any act detrimental to the best interest of the Company or which would make it impossible to carry on the business purposes of the Company.

3.6 Violations of Agreement. A manager or member who shall violate any of the terms, conditions, and provisions of this Operating Agreement shall keep and save harmless the Company's property and shall also indemnify other members and/or managers from any and all claims, damages, demands, and actions of every kind and nature, including reasonable attorneys fees and costs, which may arise out of, or by reason of, the violation of any of the terms and conditions of this Operating Agreement.

3.7 Outside Interests.

3.7.1 Other Company Memberships. Unless the same is disapproved by a majority of all members of the Company, a member or a manager of the Company may be a member of a manager of another limited liability company which engages in the same or similar business interests as the Company and which contracts with the Company, and such a dual relationship shall not be a violation of any duty owed to the Company or its members.

3.7.2 Contracts. A member or a manager of the Company may directly or indirectly contract with the Company. No contract or other transaction between the Company and its manager

(if one has been appointed) or one or more of its members shall be either void or voidable, provided that such contract is approved by a majority of the members of the Company who are not a party to the contract.

IV. CAPITAL CONTRIBUTIONS, CAPITAL, LOANS

4.1 Initial Members Contributions and Equity Interest. Each initial member shall make a capital contribution to the company and shall have an equity interest as follows:

Name	Contribution	Equity Interest
Robert Barrus	\$50.00	50%
David Clark	\$50.00	50%

4.2 Additional Capital Contributions. No member shall be under any obligation to make additional capital contributions to the company.

4.3 Equity Interest. The total equity interest in the company shall be one hundred percent (100%). In the event that members are admitted to or withdraw from the Company, the records of the Company shall state the changes in equity interest of existing members, and, where appropriate, the equity interest of the additional member.

4.4 Profits and Losses. All profits and losses of the Company shall be shared by the members according to the equity interest each member owns in the Company. A separate capital account shall be maintained for each member. No member shall make any withdrawals from capitals without the prior approval of the Company. If the capital account of a member becomes impaired, his share of subsequent Company profits shall be first credited to his capital account until that account has been restored.

4.5 Distributions. Distributions shall be at such times and in such manner as a majority of the members direct. In making such determination, the managers shall bear in mind the need for reserves and any contingencies which may be apparent in the operations of the Company's business.

V. TRANSFER OF MEMBER'S INTEREST

5.1 Right to Transfer. Except as otherwise provided herein, a member may sell, assign, exchange, gift or otherwise transfer or encumber all or any part of his interest in the Company (all hereinafter referred to as "transfer") to any other person.

5.2 First Offer. A member who desires to transfer any part of his interest in the Company shall first offer the same, in writing, to the existing members of the Company, who shall have thirty (30) days after receipt of such offer to accept or reject the offer. If more than one member accepts such offer, the interest being offered shall be allocated among the accepting members in proportion to the size of their equity interest in the Company.

5.3 Personal Liabilities. No transfer of a member's interest shall release the transferor from his or her personal liabilities in relation to the Company.

5.4 Transfer Approval. The instrument(s) of transfer shall be in a form and substance satisfactory to a majority of the existing members. Among the reasons for which consent may be withheld by a majority of existing members is that they have determined, in their sole discretion, that the transfer may: (1) have an adverse effect on the legal status of the Company under state or federal law or both, or, (2) have an adverse effect on the members who are not participating in the transfer under state or federal law or both. The request for consent to a transfer shall contain a copy of all instruments and documents to utilized in the transfer, which shall be received by the Company not less that sixty (60) days prior to the proposed date of transfer.

5.5 Expenses. The transferor shall pay all reasonable expenses connected with a transfer, including, but not limited to, the cost of preparing and filing any amendment to this operating agreement which is necessary to effectuate the transfer.

VI. DISSOLUTION AND LIQUIDATION

6.1 Dissolution. Upon the occurrence of one of the following events, the Company shall be dissolved: (1) the term of the Company expires, (2) a majority of the members votes in favor of dissolution, or (3) an act occurs requiring dissolution under the provisions of the Utah Limited Liability Company Act.

6.2 Liquidation. In the event of dissolution an accounting shall be made of company assets which shall thereafter be distributed in the following order: (1) to creditors of the Company, (2) to members that are creditors of the Company, and (3) to members in proportion to their equity interest.

VII. MISCELLANEOUS

7.1 Miscellaneous.

7.1.1 Notices. Any and all notices between the members and/or a manager provided for or permitted under this Operating Agreement or by law shall be in writing and shall be deemed duly served when personally delivered to a member and/or manager or, in lieu of such personal service, when deposited in United States Mail, certified, postage prepaid, addressed to the address indicated for such member(s) or manager on the records of the Company.

7.1.2 Amendments. This Operating Agreement may be amended at any time by the members pursuant to a writing signed by them.

7.1.3 Members' Actions. As used throughout this Operating Agreement the phrases as determined by the Company", "as the members may determine", "by a majority of the members,"

or words of similar import, shall be deemed to require the majority vote of the members based upon the proportion of the equity interests in the Company.

7.1.4 Number of Gender. As used herein, the masculine, feminine, or neuter gender, and the singular or plural number, shall be deemed to include the others wherever the context so indicates.

7.1.5 Sole and Only Agreement. This Operating Agreement constitutes the sole and only agreement relating to the Company and its operations as provided by the Act, and the same correctly sets forth the rights, duties, and obligations of the members and managers of the Company. Any prior agreements, promises, negotiations, or representations not expressly set forth herein are of no force and effect.

IN WITNESS WHEREOF, the members have executed this Operating Agreement on this 18th day of May, 1999.

Robert Barrus
Robert Barrus
David Clark
David Clark

Sherry L. Snow

